

EXHIBIT 3  
 DATE 3/27/07  
 SB 527

Subj: **Fwd: Support SB 527**  
 Date: 3/26/2007 1:27:00 P.M. Mountain Daylight Time  
 From: Phanopepla  
 To: Drathaar2

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 Forwarded Message:

Subj: **Support SB 527**  
 Date: 3/26/2007 12:59:01 P.M. Mountain Daylight Time  
 From: BeaudryC@ci.billings.mt.us  
 To: emarntzen@excite.com  
 CC: dschwarz@co.yellowstone.mt.gov, tnave@co.yellowstone.mt.gov, Phanopepla@aol.com,  
AMOCSD@aol.com, bkennedy@co.yellowstone.mt.us, jreno@co.yellowstone.mt.us,  
jostlund@co.yellowstone.mt.us

*Sent from the Internet (Details)*

Representative Arntzen;

I understand the Local Government Committee will take executive action on this bill tomorrow. You should be aware that Yellowstone County Planning Department supports SB 527. As the Director of City/County Planning Department for the City of Billings and Yellowstone County, I would like to respond to Carol Hardy's testimony heard on Thursday March 22 before your Committee.

Ms. Hardy's first concern is that SB 527 will substantially increase the cost of affordable housing. In the City of Billings and Yellowstone County, this is highly unlikely. I also am Director of the City Community Development Division that is responsible for administering most of the low-income housing programs and funds most of the low-income housing projects in the City of Billings. I have never seen low-income housing projects structured as condominiums. In fact, most of these projects are aimed at getting people into single family, detached residences or they are structured as rental units. In Billings, at least, condominium projects tend to be at market or higher-end developments. Neither I nor our County Clerk and Recorder recall any condominium developments in the unzoned portion of the County; low income or otherwise. This is primarily due to the fact that County Health and MDEQ require a minimum of 1 acre of land for individual water and septic. Land, then, becomes the major expense in these situations – not subdivision review costs. The alternative to individual water and septic system is a community water and/or sewer system, and that is substantially more expensive. Simply providing basic services to parcels in the County adds costs to a project. Low-income individuals also prefer to live within the City because public transportation is accessible and work centers, schools and basic services are nearby.

Regarding Ms Hardy's second point about estate planning tools, I can only remark that this option has not been exercised in Yellowstone County. As I pointed out earlier, neither I or the County Clerk and Recorder are aware of any condominium developments outside the zoned area of the County. Condominium's need to be certified by the Planning Office before the Declaration of Unit Ownership is recorded. We do have situations where a single parcel is jointly owned by individuals, but this type of ownership is allowed by law and exempt from subdivision review already.

Finally, Ms. Hardy is concerned with "hidden taxes" as a result of subdivision review fees and park dedication requirements. There are costs associated with subdivision, but they are a small portion of the actual development, especially in the County. The review fee for a minor subdivision (<5 lots) is \$550 and for a major subdivision (>5 < 40 lots) is \$1500. Subdivisions receive a high level of review because the potential impacts of a subdivision could be far more costly down the road, than the actual fee itself. The basis of subdivision review

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is to minimize negative impacts to agriculture, agricultural water user facilities, local services, natural resources, and wildlife and wildlife habitat. Subdivision review also ensures future owners will receive clear title of ownership, will have physical and legal access, and will be adequately warned of limitations on the use of the property with regard to existing hazards (wildfire, flooding, landslides etc). These are costs associated with orderly growth and buyer protection, not "hidden taxes". Divisions of land that are exempt from subdivision review, are not always so protected. Parkland dedication can be an added cost, but the magnitude of the cost is related to the density of the development. If a development consisted of 10 1-acre parcels, the developer would be required to dedicate or pay the equivalent of 5% of the area of the land proposed to be subdivided or .5 acres. Many developers view parkland as an amenity for the development and go beyond what the law requires. If the individual lots are greater than 5 acres, no parkland is required.

Thank you for this opportunity to respond to Ms. Hardy's letter. Yellowstone County Planning Department supports SB 527, low-income housing, and protecting the rights of existing and future property owners.

***Candi Beaudry, AICP***

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